

Grant Agreement Between
Michigan Department of Community Health
hereinafter referred to as the "Department"

and

Real Alternatives

7810 Allentown Blvd, Suite 304

Harrisburg, PA 17112

Federal I.D.#: 2232868660, DUNS# 942971474

hereinafter referred to as the "Contractor"

for

Michigan Pregnancy and Parenting Support Services Program

Part I

1. **Period of Agreement:** This agreement shall commence on October 1, 2013 and continue through September 30, 2014. This agreement is in full force and effect for the period specified.

2. **Program Budget and Agreement Amount**

A. Agreement Amount

The total amount of this agreement is \$ 700,000. The Department under the terms of this agreement will provide funding not to exceed \$ 700,000. The federal funding provided by the Department: is \$ 0 or approximately N/A%; the Catalog of Federal Domestic Assistance (CFDA) number is N/A and the CFDA Title is N/A; the federal agency name is N/A; the federal grant award number is N/A and the award phase is N/A. The federal program title is N/A. The grant agreement is designated as a:

- ☐ subrecipient relationship; or
☐ vendor relationship.

The grant agreement is designated as:

- ☐ Research and development project; or
☐ Not a research and development project.

B. Equipment Purchases and Title

Any contractor equipment purchases supported in whole or in part through this agreement must be listed in the supporting Equipment Inventory Schedule. Equipment means tangible, non-expendable, personal property having useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Title to items having a unit acquisition cost of less than \$5,000 shall vest with the Contractor upon acquisition. The Department

reserves the right to retain or transfer the title to all items of equipment having a unit acquisition cost of \$5,000 or more, to the extent that the Department's proportionate interest in such equipment supports such retention or transfer of title.

C. Deviation Allowance

A deviation allowance modifying an established budget category by \$10,000 or 15%, whichever is greater, is permissible without prior written approval of the Department. Any modification or deviations in excess of this provision, including any adjustment to the total amount of this agreement, must be made in writing and executed by all parties to this agreement before the modifications can be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items or positions not shown in the attached Program Budget Summary and supporting detail schedules.

3. **Purpose:** The focus of the program is to: provide pregnancy and parent support services to women and parents of infants to promote childbirth and alternatives to abortion.
4. **Statement of Work:** The Contractor agrees to undertake, perform and complete the services described in Attachment A, which is part of this agreement through reference.
5. **Financial Requirements:** The financial requirements shall be followed as described in Part II of this agreement and Attachments B and D which are part of this agreement through reference.
6. **Performance/Progress Report Requirements:** The progress reporting methods, as applicable, shall be followed as described in Attachment C, which is part of this agreement through reference.
7. **General Provisions:** The Contractor agrees to comply with the General Provisions outlined in Part II, which is part of this agreement through reference.
8. **Administration of the Agreement:**

The person acting for the Department in administering this agreement (hereinafter referred to as the Contract Manager) is:

| | | | |
|-------------|----------|---|---------------|
| Brenda Fink | Director | Division of Family and Child Health (517) | 335-8863 |
| Name, | Title | Location/Building | Telephone No. |

| | |
|--------------------|---------------|
| FinkB@michigan.gov | Email Address |
|--------------------|---------------|

9. **Contractor's Financial Contact for the Agreement:**

The person acting for the Contractor on the financial reporting for this agreement is:

| | |
|------------------------|---------------------|
| Clifford W. McKeown | Director of Finance |
| Name | Title |
| RA-Finance@comcast.net | 717-541-7833 |
| E-Mail Address | Telephone No. |

10. **Special Conditions:**

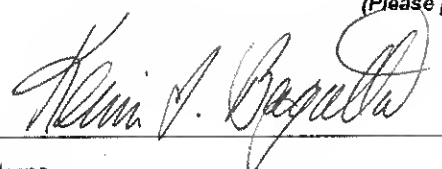
- A. This agreement is valid upon approval by the State Administrative Board as appropriate and approval and execution by the Department.
- B. This agreement is conditionally approved subject to and contingent upon the availability of funds.
- C. The Department will not assume any responsibility or liability for costs incurred by the Contractor prior to the signing of this agreement.
- D. The Contractor is required by PA 533 of 2004 to receive payments by electronic funds transfer.

11. **Special Certification:**


The individual or officer signing this agreement certifies by his or her signature that he or she is authorized to sign this agreement on behalf of the responsible governing board, official or Contractor.

12. **Signature Section:**

For the CONTRACTOR

| | |
|--|-------------------|
| Kevin I. Bagatta, Esquire | President and CEO |
| Name | Title |
| (Please print) | |
|  | 12-13-13 |
| Signature | Date |

For the MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

| | |
|---|----------|
|  | 12/16/13 |
| Kim Stephen, Director, Bureau of Budget and Purchasing | Date |

Part II
General Provisions

I. Responsibilities - Contractor

The Contractor in accordance with the general purposes and objectives of this agreement will:

A. Publication Rights

1. Where the Contractor exclusively develops books, films, or other such copyrightable materials through activities supported by this agreement, the Contractor may copyright those materials. The materials that the Contractor copyrights cannot include service recipient information or personal identification data. Contractor grants the Department a royalty-free, non-exclusive and irrevocable license to reproduce, publish and use such materials and authorizes others to reproduce and use such materials.
2. Any materials copyrighted by the Contractor or modifications bearing acknowledgment of the Department's name must be approved by the Department before reproduction and use of such materials. With regard to the materials referenced in the first sentence, the State of Michigan may modify the material copyrighted by the Contractor and may combine it with other copyrightable intellectual property to form a derivative work. The State of Michigan will own and hold all copyright and other intellectual property rights in any such derivative work, excluding any rights or interest granted in this agreement to the Contractor. If the Contractor ceases to conduct business for any reason, or ceases to support the copyrightable materials developed under this agreement, the State of Michigan has the right to convert its licenses into transferable licenses to the extent consistent with any applicable obligations the Contractor has to the federal government.
3. The Contractor shall give recognition to the Department in any and all publications papers and presentations arising from the program and service contract herein; the Department will do likewise.
4. The Contractor must notify the Department's Grants and Purchasing Division 30 days before applying to register a copyright with the U.S. Copyright Office. The Contractor must submit an annual report for all copyrighted materials developed by the Contractor through activities supported by this agreement and must submit a final invention statement and certification within 90 days of the end of the agreement period.
5. The parties understand and agree that deliverables under this grant agreement do not include the Real Alternatives Program and Instructional Design (RAPID) System. RAPID includes the following copyrighted, trade secret and proprietary materials and information: all software, documents, forms, checklists, staff training materials, services provider materials, billing systems, and program management tools designed to administer the Michigan Pregnancy and Parenting Support Program, including procedures, reports, and accounting manuals. It is further agreed and understood that the RAPID System materials are specifically not included in the agreement's Scope of Work. The RAPID system includes copyrighted, trade secret and proprietary information and material which belongs to and shall remain the exclusive property of Real Alternatives.

B. Fees

Make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report these as outlined by the Department's fiscal procedures. Any underrecoveries of otherwise available fees resulting from failure to bill for eligible services will be excluded from reimbursable expenditures.

C. Program Operation

Provide the necessary administrative, professional, and technical staff for operation of the program.

D. Reporting

Utilize all report forms and reporting formats required by the Department at the effective date of this agreement, and provide the Department with timely review and commentary on any new report forms and reporting formats proposed for issuance thereafter.

E. Record Maintenance/Retention

Maintain adequate program and fiscal records and files, including source documentation to support program activities and all expenditures made under the terms of this agreement, as required. Assure that all terms of the agreement will be appropriately adhered to and that records and detailed documentation for the project or program identified in this agreement will be maintained for a period of not less than three (3) years from the date of termination, the date of submission of the final expenditure report or until litigation and audit findings have been resolved.

F. Authorized Access

Permit upon reasonable notification and at reasonable times, access by authorized representatives of the Department, Federal Grantor Agency, Comptroller General of the United States and State Auditor General, or any of their duly authorized representatives, to records, files and documentation related to this agreement, to the extent authorized by applicable state or federal law, rule or regulation.

G. Audits

This section only applies to Contractors designated as subrecipients. Contractors designated as vendors are exempt from the provisions of this section.

1. Required Audit or Notification Letter

Contractors must submit to the Department either a Single Audit, Financial Related Audit, Financial Statement Audit, or Audit Status Notification Letter as described below. Financial Related Audit is applicable to non-profit contractors that are designated as subrecipients. If submitting a Single Audit or Financial Statement Audit, Contractors must also submit a Corrective Action Plan for any audit findings that impact MDCH-funded programs, and management letter (if issued) with a response.

a. Single Audit

Contractors that are a state, local government, or non-profit organization that expend \$500,000 or more in federal awards during the Contractor's fiscal year must submit a Single Audit to the Department, regardless of the amount of funding received from the Department. The Single Audit must comply with the requirements of the Single Audit Act Amendments of 1996, and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," as revised.

b. Financial Related Audit

Contractors that are for-profit organizations that expend \$500,000 or more in Federal awards during the Contractor's fiscal year must submit a financial related audit prepared in accordance with Government Auditing Standards relating to all Federal awards; or an audit that meets the requirements contained in OMB Circular A-133, if required by the Federal awarding agency.

c. Financial Statement Audit

Contractors exempt from the Single Audit and Financial Related Audit requirements that receive \$500,000 or more in **total funding** from the Department in State and Federal grant funding must submit to the Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards (GAAS). Contractors exempt from the Single Audit and Financial Related Audit requirements that receive less than \$500,000 of total Department grant funding must submit to the Department a Financial Statement Audit prepared in accordance with GAAS if the audit includes disclosures that may negatively impact MDCH-funded programs including, but not limited to fraud, going concern uncertainties, financial statement misstatements, and violations of contract and grant provisions.

d. Audit Status Notification Letter

Contractors exempt from the Single Audit, Financial Related Audit and Financial Statement Audit requirements (a., b., and c. above) must submit an Audit Status Notification Letter that certifies these exemptions. The template Audit Status Notification Letter and further instructions are available at <http://www.michigan.gov/mdch> by selecting Inside Community Health – MDCH Audit.

2. Due Date and Where to Send

The required audit and any other required submissions (i.e. Corrective Action Plan and management letter with a response), or audit Status Notification Letter must be submitted to the Department within nine months after the end of the Contractor's fiscal year by e-mail to the Department at MDCH-AuditReports@michigan.gov. The required materials must be assembled as one document in a PDF file compatible with Adobe Acrobat (read only). The subject line must state the agency name and fiscal year end. The Department reserves the right to request a hard copy of the audit materials if for any reason the electronic submission process is not successful.

3. Penalty

a. Delinquent Single Audit, Financial Related or Financial Statement Audit

If the Contractor does not submit the required Single Audit Financial Related Audit, or Financial Statement Audit, including any management letter with a response and applicable Corrective Action Plan within nine months after the end of the Contractor's fiscal year and an extension has not been approved by the cognizant or oversight agency for audit, the Department may withhold from the current funding an amount equal to five percent of the audit year's grant funding (not to exceed \$200,000) until the required filing is received by the Department. The Department may retain the amount withheld if the

Contractor is more than 120 days delinquent in meeting the filing requirements and an extension has not been approved by the cognizant or oversight agency for audit. The Department may terminate the current grant if the Contractor is more than 180 days delinquent in meeting the filing requirements and an extension has not been approved by the cognizant or oversight agency for audit.

b. Delinquent Audit Status Notification Letter

Failure to submit the Audit Status Notification Letter, when required, may result in withholding from the current funding an amount equal to one percent of the audit year's grant funding until the Audit Status Notification Letter is received.

4. Other Audits

The Department or federal agencies may also conduct or arrange for "agreed upon procedures" or additional audits to meet their needs.

H. Subrecipient/Vendor Monitoring

The Contractor must ensure that each of its **subrecipients** comply with the Single Audit Act requirements. The Contractor must issue management decisions on audit findings of their subrecipients as required by OMB Circular A-133.

The Contractor must also develop a subrecipient monitoring plan that addresses "during the award monitoring" of **subrecipients** to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts, and that performance goals are achieved. The subrecipient monitoring plan should include a risk-based assessment to determine the level of oversight, and monitoring activities such as reviewing financial and performance reports, performing site visits, and maintaining regular contact with subrecipients.

The Contractor must establish requirements to ensure compliance for **for-profit subrecipients** as required by OMB Circular A-133, Section .210(e).

The Contractor must ensure that transactions with **vendors** comply with laws, regulations, and provisions of contracts or grant agreements in compliance with OMB Circular A-133, Section .210(f).

I. Notification of Modifications

Provide timely notification to the Department, in writing, of any action by its governing board or any other funding source that would require or result in significant modification in the provision of services, funding or compliance with operational procedures.

J. Software Compliance

The Contractor must ensure software compliance and compatibility with the Department's data systems for services provided under this agreement including, but not limited to: stored data, databases, and interfaces for the production of work products and reports. All required data under this agreement shall be provided in an accurate and timely manner without interruption, failure or errors due to the inaccuracy of the Contractor's business operations for processing date/time data.

K. Human Subjects

The Contractor will comply with Protection of Human Subjects Act, 45 CFR, Part 46. The Contractor agrees that prior to the initiation of the research, the Contractor will submit institutional Review Board (IRB) application material for all research involving human subjects, which is conducted in programs sponsored by the Department or in programs which receive funding from or through the State of Michigan, to the Department's IRB for

review and approval, or the IRB application and approval materials for acceptance of the review of another IRB. All such research must be approved by a federally assured IRB, but the Department's IRB can only accept the review and approval of another institution's IRB under a formally-approved interdepartmental agreement. The manner of the review will be agreed upon between the Department's IRB Chairperson and the Contractor's IRB Chairperson or Executive Officer(s).

II. Responsibilities - Department

The Department in accordance with the general purposes and objectives of this agreement will:

A. Reimbursement

Provide reimbursement in accordance with the terms and conditions of this agreement based upon appropriate reports, records, and documentation maintained by the Contractor.

B. Report Forms

Provide any report forms and reporting formats required by the Department at the effective date of this agreement, and provide to the Contractor any new report forms and reporting formats proposed for issuance thereafter at least ninety (90) days prior to their required usage in order to afford the Contractor an opportunity to review and offer comment.

III. Assurances

The following assurances are hereby given to the Department:

A. Compliance with Applicable Laws

The Contractor will comply with applicable federal and state laws, guidelines, rules and regulations in carrying out the terms of this agreement. The Contractor will also comply with all applicable general administrative requirements such as OMB Circulars covering cost principles, grant/agreement principles, and audits in carrying out the terms of this agreement.

B. Anti-Lobbying Act

The Contractor will comply with the Anti-Lobbying Act, 31 USC 1352 as revised by the Lobbying Disclosure Act of 1995, 2 USC 1601 et seq, and Section 503 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies section of the FY 1997 Omnibus Consolidated Appropriations Act (Public Law 104-208). Further, the Contractor shall require that the language of this assurance be included in the award documents of all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

C. Non-Discrimination

1. In the performance of any contract or purchase order resulting herefrom, the Contractor agrees not to discriminate against any employee or applicant for employment or service delivery and access, with respect to their hire, tenure, terms, conditions or privileges of employment, programs and services provided or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position or to receive services. The Contractor further agrees that every subcontract entered into for the performance of any contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, service delivery and access, as herein specified binding upon each subcontractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights

Act, 1976 PA 453, as amended, MCL 37.2201 et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and any breach thereof may be regarded as a material breach of the contract or purchase order.

2. The Contractor will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to:
 - a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin;
 - b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex;
 - c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps;
 - d. the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age;
 - e. the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;
 - f. the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
 - g. §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records
 - h. any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and,
 - i. the requirements of any other nondiscrimination statute(s) which may apply to the application.
3. Additionally, assurance is given to the Department that proactive efforts will be made to identify and encourage the participation of minority owned and women owned businesses, and businesses owned by persons with disabilities in contract solicitations. The Contractor shall incorporate language in all contracts awarded: (1) prohibiting discrimination against minority owned and women owned businesses and businesses owned by persons with disabilities in subcontracting; and (2) making discrimination a material breach of contract.

D. Debarment and Suspension

Assurance is hereby given to the Department that the Contractor will comply with Federal Regulation, 2 CFR part 180 and certifies to the best of its knowledge and belief that it, its employees and its subcontractors:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or contractor;
2. Have not within a three-year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery,

bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2, and;
4. Have not within a three-year period preceding this agreement had one or more public transactions (federal, state or local) terminated for cause or default.

E. Federal Requirement: Pro-Children Act

1. Assurance is hereby given to the Department that the Contractor will comply with Public Law 103-227, also known as the Pro-Children Act of 1994, 20 USC 6081 et seq, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The Contractor also assures that this language will be included in any subawards which contain provisions for children's services.
2. The Contractor also assures, in addition to compliance with Public Law 103-227, any service or activity funded in whole or in part through this agreement will be delivered in a smoke-free facility or environment. Smoking shall not be permitted anywhere in the facility, or those parts of the facility under the control of the Contractor. If activities or services are delivered in facilities or areas that are not under the control of the Contractor (e.g., a mall, restaurant or private work site), the activities or services shall be smoke-free.

F. Hatch Political Activity Act and Intergovernmental Personnel Act

The Contractor will comply with the Hatch Political Activity Act, 5 USC 1501-1509 and 7324-7328, and the Intergovernmental Personnel Act of 1970, as amended by Title VI of the Civil Service Reform Act, Public Law 95-454, 42 USC 4728 - 4763. Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally-assisted programs.

G. Subcontracts

Assure for any subcontracted service, activity or product:

1. That a written subcontract is executed by all affected parties prior to the initiation of any new subcontract activity. Exceptions to this policy may be granted by the Department upon written request within 30 days of execution of the agreement.
2. That any executed subcontract to this agreement shall require the subcontractor to comply with all applicable terms and conditions of this agreement. In the event of a conflict between this agreement and the provisions of the subcontract, the provisions of this agreement shall prevail.

A conflict between this agreement and a subcontract, however, shall not be deemed to exist where the subcontract:

- a. Contains additional non-conflicting provisions not set forth in this agreement;
 - b. Restates provisions of this agreement to afford the Contractor the same or substantially the same rights and privileges as the Department; or
 - c. Requires the subcontractor to perform duties and/or services in less time than that afforded the Contractor in this agreement.
3. That the subcontract does not affect the Contractor's accountability to the Department for the subcontracted activity.
 4. That any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation on costs and services.
 5. That the Contractor will submit a copy of the executed subcontract if requested by the Department.

H. Procurement

Assure that all purchase transactions, whether negotiated or advertised, shall be conducted openly and competitively in accordance with the principles and requirements of OMB Circular A-102 as revised, implemented through applicable portions of the associated "Common Rule" as promulgated by responsible federal contractor(s), or 2 CFR, Part 215 (OMB Circular A-110) as amended, as applicable, and that records sufficient to document the significant history of all purchases are maintained for a minimum of three years after the end of the agreement period.

I. Health Insurance Portability and Accountability Act

To the extent that this act is pertinent to the services that the Contractor provides to the Department under this agreement, the Contractor assures that it is in compliance with the Health Insurance Portability and Accountability Act (HIPAA) requirements including the following:

1. The Contractor must not share any protected health data and information provided by the Department that falls within HIPAA requirements except as permitted or required by applicable law; or to a subcontractor as appropriate under this agreement.
2. The Contractor will ensure that any subcontractor will have the same obligations as the Contractor not to share any protected health data and information from the Department that falls under HIPAA requirements in the terms and conditions of the subcontract.
3. The Contractor must only use the protected health data and information for the purposes of this agreement.
4. The Contractor must have written policies and procedures addressing the use of protected health data and information that falls under the HIPAA requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA regulations. These policies and procedures must include restricting access to the protected health data and information by the Contractor's employees.
5. The Contractor must have a policy and procedure to immediately report to the Department any suspected or confirmed unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements of which the Contractor becomes aware. The Contractor will work with the

Department to mitigate the breach, and will provide assurances to the Department of corrective actions to prevent further unauthorized uses or disclosures.

6. Failure to comply with any of these contractual requirements may result in the termination of this agreement in accordance with Part II, Section V. Agreement Termination.
7. In accordance with HIPAA requirements, the Contractor is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data and information by the Contractor received from the Department or any other source.
8. The Contractor will enter into a business associate agreement should the Department determine such an agreement is required under HIPAA.

IV. Financial Requirements

A. Operating Advance

An operating advance may be requested by the Contractor to assist with program operations. The request should be addressed to the Contract Manager identified in Part I, Item 8. The operating advance will be administered as follows:

1. The advance amount requested must be reasonable in relationship to the program's requirements, billing cycle, etc.; and in no case may the advance exceed the amount required for 60 days operating expense. Operating advances will be monitored and adjusted by the Department according to total Department agreement amount.
2. The advance must be recorded as an account payable to the Department in the Contractor's financial records. The operating advance payable must remain in the Contractor's financial records until fully recovered by the Department.
3. The monthly Financial Status Report (FSR) reimbursement for actual expenditures by the Department should be used by the Contractor to replenish the operating advance used for program operations.
4. The advance must be returned to the Department within 30 days of the end date of this agreement unless the Contractor has a recurring agreement with the Department, and may not be held pending agreement audit. Subsequent Department agreements may be withheld pending recovery of the outstanding advance from a prior agreement. If the Contractor has a recurring agreement with the Department, the Department requires an annual confirmation of the outstanding operating advance.

The Department may obtain the Michigan Department of Treasury's assistance in collecting outstanding operating advances. The Department will comply with the Michigan Department of Treasury's Due Process procedures prior to forwarding claims to Treasury. Specific Due Process procedures include the following:

- a. Department offer of a hearing to dispute the debt, identifying the time, place and date of such hearing.
- b. A hearing by an impartial official.
- c. An opportunity for the Contractor to examine department's associated records.
- d. An opportunity for the Contractor to present evidence in person or in writing.
- e. A hearing official with full authority to correct errors and make a decision not to forward debt to Treasury.

- f. Contractor representation by an attorney and presentation of witnesses if necessary.

5. At the end of either the agreement period or Department's fiscal year, whichever is first, the Contractor must respond to the Department's request for confirmation of the operating advance. Failure to respond to the confirmation request may result in the Department recovering all or part of an outstanding operating advance.

B. Reimbursement Method

The Contractor will be reimbursed in accordance with the staffing grant reimbursement method as follows:

Reimbursement from the Department is based on the understanding that Department funds will be paid up to the total Department allocation as agreed to in the approved budget. Department funds are first source after the application of fees and earmarked sources unless a specific local match condition exists.

C. Financial Status Report Submission

Financial Status Reports (FSRs) shall be prepared and submitted to:

Michigan Department of Community Health
Accounting Division
Expenditure Operations Section
P.O. Box 30720, Lansing, Michigan 48909

FSRs must be submitted on a monthly basis, no later than thirty (30) days after the close of each calendar month. The monthly FSRs must reflect total actual program expenditures, regardless of the source of funds. Attachment D contains the FSR form. The FSR form and instructions for completing the FSR

form are available through your Contract Manager or the Department's web site:

- http://www.michigan.gov/documents/DCH-0384-Financial_Status_Report_8214_7.pdf and
- http://www.michigan.gov/documents/DCH-0384-Financial_Status_Report_Instructions_8216_7.pdf.

Failure to meet financial reporting responsibilities as identified in this agreement may result in withholding future payments.

D. Reimbursement Mechanism

All contractors must sign up through the on-line vendor registration process to receive all State of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits, as mandated by PA 533 of 2004. Vendor registration information is available through the Department of Management and Budget's web site:

- <http://michigan.gov/cpexpress>

E. Final Obligations and Financial Status Report Requirements

1. Obligation Report

The Obligation Report, based on annual guidelines, must be submitted by the due date using the format provided by the Department's Accounting Division. The Contractor must provide an estimate of total expenditures for the entire agreement

period. The information on the report will be used to record the Department's year-end accounts payables and receivables for this agreement.

2. Department-wide Payment Suspension

A temporary payment suspension is in effect on agreements during the department's year-end closing period beginning September 13th until mid-November. FSRs through the August period should be submitted by September 6th to ensure payment prior to the payment suspension period.

3. Final FSRs

Final FSRs are due sixty (60) days following the end of the fiscal year or agreement period. The final FSR must be clearly marked "Final". Final FSRs not received by the due date may result in the loss of funding requested on the Obligation Report and may result in the potential reduction in the subsequent year's agreement amount.

F. Unobligated Funds

Any unobligated balance of funds held by the Contractor at the end of the agreement period will be returned to the Department or treated in accordance with instructions provided by the Department.

V. Agreement Termination

The Department may cancel this agreement without further liability or penalty to the Department for any of the following reasons:

- A. This agreement may be terminated by either party by giving thirty (30) days written notice to the other party stating the reasons for termination and the effective date.
- B. This agreement may be terminated on thirty (30) days prior written notice upon the failure of either party to carry out the terms and conditions of this agreement, provided the alleged defaulting party is given notice of the alleged breach and fails to cure the default within the thirty (30) day period.
- C. This agreement may be terminated immediately if the Contractor or an official of the Contractor or an owner is convicted of any activity referenced in Section III.D. of this agreement during the term of this agreement or any extension thereof.

VI. Final Reporting Upon Termination

Should this agreement be terminated by either party, within thirty (30) days after the termination, the Contractor shall provide the Department with all financial, performance and other reports required as a condition of this agreement. The Department will make payments to the Contractor for allowable reimbursable costs not covered by previous payments or other state or federal programs. The Contractor shall immediately refund to the Department any funds not authorized for use and any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures. Any dispute arising as a result of this agreement shall be resolved in the State of Michigan.

VII. Severability

If any provision of this agreement or any provision of any document attached to or incorporated by reference is waived or held to be invalid, such waiver or invalidity shall not affect other provisions of this agreement.

VIII. Amendments

Any changes to this agreement will be valid only if made in writing and accepted by all parties to this agreement. Any change proposed by the Contractor which would affect the Department funding of any project, in whole or in part in Part I, Section 2.C. of the agreement, must be

submitted in writing to the Department for approval immediately upon determining the need for such change.

IX. Liability

- A.** All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the Contractor in the performance of this agreement shall be the responsibility of the Contractor, and not the responsibility of the Department, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the Contractor, any subcontractor, anyone directly or indirectly employed by the Contractor, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Contractor or its employees by statute or court decisions.
- B.** All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as the provision of policy and procedural direction, to be carried out by the Department in the performance of this agreement shall be the responsibility of the Department, and not the responsibility of the Contractor, if the liability, loss, or damage is caused by, or arises out of, the action or failure to act on the part of any Department employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity by the State, its agencies (the Department) or employees as provided by statute or court decisions.
- C.** In the event that liability to third parties, loss, or damage arises as a result of activities conducted jointly by the Contractor and the Department in fulfillment of their responsibilities under this agreement, such liability, loss, or damage shall be borne by the Contractor and the Department in relation to each party's responsibilities under these joint activities, provided that nothing herein shall be construed as a waiver of any governmental immunity by the Contractor, the State, its agencies (the Department) or their employees, respectively, as provided by statute or court decisions.

X. Conflict of Interest

The Contractor and the Department are subject to the provisions of 1968 PA 317, as amended, MCL 15.321 et seq, MSA 4.1700(51) et seq, and 1973 PA 196, as amended, MCL 15.341 et seq, MSA 4.1700 (71) et seq.

XI. State of Michigan Agreement

This is a State of Michigan Agreement and is governed by the laws of Michigan. Any dispute arising as a result of this agreement shall be resolved in the State of Michigan.

XII. Confidentiality

Both the Department and the Contractor shall assure that medical services to and information contained in medical records of persons served under this agreement, or other such recorded information required to be held confidential by federal or state law, rule or regulation, in connection with the provision of services or other activity under this agreement shall be privileged communication, shall be held confidential, and shall not be divulged without the written consent of either the patient or a person responsible for the patient, except as may be otherwise permitted or required by applicable state or federal law or regulation. Such information may be disclosed in summary, statistical, or other form, which does not directly or indirectly identify particular individuals.

Statement of Work

Michigan Pregnancy and Parenting Support Services Program

FY 2014

1. Describe the core program elements and the manner in which services will be delivered.
 - a. Describe the individuals who will be eligible to receive services in the program, including any income or residency requirements, and any limitations due to race, gender, ethnicity, age or religion.
 - b. Describe the geographic areas within the State where program services will be provided.
 - c. Describe the core services that will be provided to eligible clients that promote childbirth instead of abortion, and that assist pregnant women with their decision regarding parenting or adoption.
 - d. In addition to the core services, describe the additional support services that will be available to eligible clients in the program.
 - e. Describe the advertising, outreach and marketing efforts that may occur to advise potential eligible clients of the availability of program services.
 - f. Describe how potential clients will access program services.
2. Describe the network of program service providers and counselors, and how they become eligible to provide approved program services.
3. Describe the plan for data collection of required program reporting; and the plan for program quality assurance monitoring, including site reviews and financial accountability.

Program Objectives

1. Assist pregnant women in Michigan to maintain pregnancy and achieve positive healthy pregnancy outcomes through provision of pregnancy support services and referrals to care.
 - a. Provide compassionate, caring and free services through approved life-affirming pregnancy support centers, social service agencies, maternity homes and adoption agencies
 - b. An evaluation of the client's needs is made by the counselor during the counseling sessions.
 - c. Provide pregnancy and parenting support services support utilizing trained crisis intervention counselors (degreed, non-degreed and volunteers)
 - d. Provide referrals to other available community services to support pregnant woman who are experiencing unplanned/crisis pregnancies, including referrals for prenatal and pediatric care, medical care, social services, and other supports as required and available.
 - e. Ensure client feedback is obtained to assure client support during crisis and counseling interventions.
2. Assist new Michigan parents establish positive parenting practices through provision of parenting support services.
 - a. Provide counseling and parenting education and referrals to pediatric care, social services, child care, financial support, housing, education for improving skills or obtaining a GED, job service and vocational training programs
 - b. Provide parenting support utilizing trained counselors (degreed, non-degreed and volunteers)
3. Assist women in Michigan who thought they were experiencing an unplanned/crisis pregnancy, but who are found to be not pregnant.

- a. Provide information on the risks of sexually transmitted diseases, relationship counseling, decision-making counseling, chastity information, teen pregnancy prevention programs, and other counseling to modify risk-taking behavior
 - b. Provide services to women in this category utilizing trained counselors (degreed, non-degreed and volunteers)
4. Serve approximately 2000 women and parents of infants at approximately 8000 visits.
5. Have Service Providers establish and maintain referral lists to life-affirming Michigan public and nonprofit organizations providing care to mothers and infants to assure ongoing care and services.
 - a. Each Service Provider Organization must have the appropriate referral resources to serve clients with essential and beneficial referrals including:
 - i. Referrals for prenatal and pediatric care.
 - ii. Referrals for medical care.
 - iii. Referrals for social services organizations and support services such as:
 - i. WIC, or other nutrition programs; MIHP, or other home visiting programs; local Department of Human Services; local health department; adoption agencies; child care; financial support; housing; education for improving skills or obtaining a GED; job service and vocational training programs; or transportation services as needed.
 - b. Service Provider Organizations are responsible to assure that referral sources are pro-life and continue to be pro-life.
 - c. Service Provider Organizations are responsible to evaluate referral organizations to assure they comply with client service needs.
 - d. Information concerning referral resources will be obtained at each site Monitoring.
6. Assure that program vendor Service Providers:
 - a. Are a nonprofit organization with 501(c)3 tax exempt status
 - b. Operate an alternatives to abortion program that has a stated policy of actively promoting childbirth instead of abortion
 - c. Maintain a pro-life mission and agree not to promote, refer, or counsel abortion as an option to a crisis or unplanned pregnancy
 - d. Are physically and financially separate from any entity that advocates, performs, counsels, or refers for abortion
 - e. Understand that the funding for alternative to abortion services under this program does not include funding for the provision, referral, or advocacy of contraceptive services, drugs, or devices
 - f. Provide core services consisting of information and counseling that promotes childbirth instead of abortion, and assists pregnant women in their decision regarding adoption or parenting
 - g. Are nondiscriminatory
 - h. Agree not to promote the teaching or philosophy of any religion or religious organization while providing program services to the client
 - i. Have been in operation a minimum of one year providing core alternative to abortion services to women in a crisis pregnancy
 - j. Provide abstinence education as the best and only method of avoiding unplanned pregnancies and sexually transmitted infections
 - k. Agree to serve all eligible clients, including those with Limited English Proficiency
 - l. Will annually verify that all staff and volunteers have current Michigan State Police and Child Abuse background check clearances
 - m. Maintain client confidentiality
 - n. Will submit their counselor training materials, and policies and procedures manual for evaluation
 - o. Do not charge a fee for services to eligible clients.
 - p. Provide handicapped accessible services.

7. Assure Service Provider compliance with program policies and objectives, including:
 - a. Initial and annual site monitoring of Service Provider sites performed as described in the program description entitled: Michigan Pregnancy and Parenting Support Services Program, Fiscal Year 2013/2014
 - b. Assure accurate record-keeping of client eligibility
 - c. Assure accurate submission of billing forms
 - d. Assure all services are provided in a respectful and non-judgmental manner
 - i. Assure all services are provided to eligible clients with limited English, hearing or visual capabilities
 - ii. Assure all services are provided with appropriate cultural sensitivities
 - e. Assure financial accountability through program site monitoring.
 - f. Ongoing quality assurance measures performed as described in the program description entitled: Michigan Pregnancy and Parenting Support Services Program, Fiscal Year 2013/2014
8. Assure compliance with program reporting requirements. Quarterly Reports are to be submitted to DFCH@michigan.gov by 45 days after the end of the quarter. The Quarterly Reports will, at a minimum, provide a total accounting of the following activities of the Service Providers:
 - a. Monitoring activities completed;
 - b. Monitoring Report findings for each site monitored and subsequent corrective actions taken;
 - c. Technical assistance provided;
 - d. Follow-up on site monitoring findings for Service Providers;
 - e. Direct service activities such as information/services provided or referrals made;
 - f. Significant Project(s) Status Report(s) including a brief narrative of projects described in the Work Plan, and any other significant projects or activities;
 - g. The number of pregnant women, non-pregnant women and parenting women served (separate reports for each of these three client types), by their county of residence, and their age reported by the following age groups:
 1. Less than 16 years old;
 2. 16 years old through 20 years old;
 3. 21 years old through 25 years old;
 4. 26 years old through 30 years old;
 5. 31 years old through 35 years old;
 6. 36 years old through 40 years old;
 7. 41 years old through 45 years old;
 8. 46 years old and older.
 - h. The number of pregnant women, non-pregnant women and parenting women served (separate reports for each of these three client types), by race, by county, by age (White, African American, Native American, Asian, multi-racial, unknown/not declared)
 - i. The number of pregnant women, non-pregnant women and parenting women served (separate reports for each of these three client types), by ethnicity, by county, by age (Hispanic, non-Hispanic)
 - j. The number of visits by pregnant women, non-pregnant women and parenting women (separate reports for each of these three client types), by county, by age.
 1. Hotline calls from Michigan and number of subsequent referrals to Service Providers
 2. Public Information activities in Michigan
 - k. Report number of Service Provider referrals by type:
 1. Prenatal care providers
 2. Pediatric care providers

I. Report of client outcomes

1. Number of clients indicating they are choosing childbirth
2. Number of clients who visited or are planning to visit a health care provider for prenatal care.
3. Number of clients who have taken their child to a pediatric appointment.
4. Number of clients with infants up to date in immunizations.
5. Number of clients who felt supported at the end of their counseling session.

PROGRAM BUDGET SUMMARY

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

View at 100% or Larger
Use WHOLE DOLLARS Only

| | | | | | | |
|--|--------------------|--------------------------|--|--|--------------------|--|
| PROGRAM Michigan Alternatives Program | | | DATE PREPARED 11/22/13 | | Page 1 | Of 1 |
| CONTRACTOR NAME Real Alternatives | | | BUDGET PERIOD From: October 1, 2013 To: September 30, 2014 | | | |
| MAILING ADDRESS (Number and Street) 7810 Allentown Blvd, Suite 304 | | | BUDGET AGREEMENT <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> AMENDMENT ► | | AMENDMENT # | |
| CITY Harrisburg | STATE PA | ZIP CODE 17112 | FEDERAL ID NUMBER 23-2868660 | | | |
| EXPENDITURE CATEGORY | | | | | | TOTAL BUDGET (Use Whole Dollars) |
| 1. SALARIES & WAGES | | | | | | |
| 2. FRINGE BENEFITS | | | | | | |
| 3. TRAVEL | | | | | | |
| 4. SUPPLIES & MATERIALS | | | | | | |
| 5. CONTRACTUAL (Subcontracts/Subrecipients) | | | | | | |
| 6. EQUIPMENT | | | | | | |
| 7. OTHER EXPENSES | | | | | | |
| Administrative Expenses | | \$105,000 | | | | |
| Services Expenses | | \$595,000 | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| 8. TOTAL DIRECT EXPENDITURES (Sum of Lines 1-7) | | \$700,000 | | | | |
| 9. INDIRECT COSTS: Rate #1 % | | | | | | |
| INDIRECT COSTS: Rate #2 % | | | | | | |
| 10. TOTAL EXPENDITURES | | \$700,000 | | | | |

SOURCE OF FUNDS

| | | | | |
|--|--|--|--|--|
| 11. FEES & COLLECTIONS | | | | |
| 12. STATE AGREEMENT | | \$700,000 | | |
| 13. LOCAL | | | | |
| 14. FEDERAL | | | | |
| 15. OTHER(S) | | | | |
| | | | | |
| | | | | |
| | | | | |
| 16. TOTAL FUNDING | | \$700,000 | | |
| AUTHORITY: P.A. 368 of 1978 | | The Department of Community Health is an equal opportunity employer, services and programs provider. | | |
| COMPLETION: Is Voluntary, but is required as a condition of funding | | | | |
| DCH-0385 FY 2014 2/13 (W) Previous Editions Obsolete | | | | |

PROGRAM BUDGET – COST DETAIL SCHEDULE

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

View at 100% or Larger
Use WHOLE DOLLARS Only

Page Of

| | | | | |
|--|---|--|----------------------------------|----------------------|
| PROGRAM Michigan Alternatives Program | | BUDGET PERIOD | | DATE PREPARED |
| | | From: October 1, 2013 | To: September 30, 2014 | 11/22/13 |
| CONTRACTOR NAME Real Alternatives | | BUDGET AGREEMENT | | AMENDMENT # |
| | | <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> AMENDMENT | | |
| 1. SALARY & WAGES | COMMENTS | POSITIONS REQUIRED | TOTAL SALARY | |
| POSITION DESCRIPTION | | | | |
| President and CEO | | | 8,200 | |
| Director of Finance | | | 4,200 | |
| Assistant Director of Finance | | | 11,400 | |
| Accountant | | | 4,100 | |
| Bookkeeper | | | 9,500 | |
| Accrued Vac & Sick | | | 238 | |
| 1. TOTAL SALARIES & WAGES: | | 0 | 37,638 | |
| 2. FRINGE BENEFITS (Specify) | | | | |
| <input checked="" type="checkbox"/> FICA | <input checked="" type="checkbox"/> LIFE INS. | <input checked="" type="checkbox"/> DENTAL INS. | COMPOSITE RATE | |
| <input checked="" type="checkbox"/> UNEMPLOY INS. | <input checked="" type="checkbox"/> VISION INS. | WORK COMP. | AMOUNT 0.00% | |
| <input checked="" type="checkbox"/> RETIREMENT | <input type="checkbox"/> HEARING INS. | | | |
| <input checked="" type="checkbox"/> HOSPITAL INS. | <input checked="" type="checkbox"/> OTHER (specify) | | | |
| 2. TOTAL FRINGE BENEFITS: | | | \$6,020 | |
| 3. TRAVEL (Specify if category exceeds 10% of Total Expenditures) | | | | |
| | | | | |
| 3 TOTAL TRAVEL: | | | \$3,500 | |
| 4. SUPPLIES & MATERIALS (Specify if category exceeds 10% of Total Expenditures) | | | | |
| Office Expense | | | \$16,138 | |
| Computer Resources | | | \$20,000 | |
| 4. TOTAL SUPPLIES & MATERIALS: | | | \$36,138 | |
| 5. CONTRACTUAL (Specify Subcontracts/Subrecipients) | | | | |
| <u>Name</u> | <u>Address</u> | <u>Amount</u> | | |
| Consulting | | \$6,000 | | |
| Legal Consulting | | \$1,200 | | |
| 5. TOTAL CONTRACTUAL: | | | \$7,200 | |
| 6. EQUIPMENT (Specify items) | | | | |
| | | | | |
| 6. TOTAL EQUIPMENT: | | | \$0 | |
| 7. OTHER EXPENSES (Specify if category exceeds 10% of Total Expenditures) | | | | |
| Communication: | Rent/Telephone | \$ 7,000 | | |
| Space costs | Business Insur + Ofc & Directors Insurance | \$ 1,100 | | |
| Others (explain) | Audit | \$ 5,000 | | |
| | Equip. Service Contract | \$ 500 | | |
| | Professional Development | \$ 624 | | |
| | Job Advertising/Employee Screening | \$ 280 | | |
| | | | \$14,504 | |
| 8. TOTAL DIRECT EXPENDITURES (Sum of Totals 1-7) | | 8. TOTAL DIRECT EXPENDITURES: | | \$ 105,000 |
| 9. INDIRECT COST CALCULATIONS | | Rate #1: Base \$0 X Rate 0.0000 % Total | | \$ 0 |
| | | Rate #2: Base \$0 X Rate 0.0000 % Total | | \$ 0 |
| | | 9. TOTAL INDIRECT EXPENDITURES: | | \$ 0 |
| 10. TOTAL EXPENDITURES (Sum of lines 8-9) | | \$ 105,000 | | |
| AUTHORITY: P.A. 368 of 1978 | | The Department of Community Health is an equal opportunity employer, services and programs provider. | | |
| COMPLETION: is Voluntary, but is required as a condition of funding | | | | |
| DCH-0386 (E) (Rev 2/13) (W) Previous Edition Obsolete. Use Additional Sheets as Needed | | | | |

PROGRAM BUDGET – COST DETAIL SCHEDULE

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

Page Of

View at 100% or Larger
Use WHOLE DOLLARS Only

| | | | | |
|---|---------------------------|--|--------------|---------------------------|
| PROGRAM Michigan Alternatives Program | | BUDGET PERIOD From: 10/1/13 To: 9/30/14 | | DATE PREPARED 11/22/13 |
| CONTRACTOR NAME Real Alternatives | | BUDGET AGREEMENT <input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> AMENDMENT | | AMENDMENT # |
| 2. SALARY & WAGES POSITION DESCRIPTION | COMMENTS | POSITIONS REQUIRED | TOTAL SALARY | |
| Vice President | | | \$8,200 | |
| Service Provider Approval | | | \$4,600 | |
| Quality Control Coordinator | | | \$9,400 | |
| Service Provider Monitoring | | | \$3,000 | |
| Toll Free | | | \$670 | |
| Accred Vac & Sick | | | \$118 | |
| 1. TOTAL SALARIES & WAGES: | | 0 | \$25,988 | |
| 2. FRINGE BENEFITS (Specify) | | | | |
| <input checked="" type="checkbox"/> FICA <input checked="" type="checkbox"/> LIFE INS. <input checked="" type="checkbox"/> DENTAL INS. COMPOSITE RATE <input checked="" type="checkbox"/> UNEMPLOY INS. <input checked="" type="checkbox"/> VISION INS. <input checked="" type="checkbox"/> WORK COMP. AMOUNT 0.00% <input checked="" type="checkbox"/> RETIREMENT <input type="checkbox"/> HEARING INS. <input checked="" type="checkbox"/> HOSPITAL INS. <input checked="" type="checkbox"/> OTHER (specify) | | | | |
| 2. TOTAL FRINGE BENEFITS: | | | | \$3,836 |
| 3. TRAVEL (Specify if category exceeds 10% of Total Expenditures) | | | | |
| 3 TOTAL TRAVEL: | | | | \$7,400 |
| 4. SUPPLIES & MATERIALS (Specify if category exceeds 10% of Total Expenditures) | | | | |
| Client Education Materials | | | | 6,000 |
| Pregnancy Test Kits | | | | 10,500 |
| 4. TOTAL SUPPLIES & MATERIALS: | | | | \$16,500 |
| 5. CONTRACTUAL (Specify Subcontracts/Subrecipients) | | | | |
| Name | Address | Amount | | |
| Client Services | | \$501,276 | | |
| Database Consulting | | \$ 6,000 | | |
| 5. TOTAL CONTRACTUAL: | | | | \$507,276 |
| 6. EQUIPMENT (Specify items) | | | | |
| 6. TOTAL EQUIPMENT: | | | | \$ |
| 7. OTHER EXPENSES (Specify if category exceeds 10% of Total Expenditures) | | | | |
| Communication: | Services Advertising | \$ 13,000 | | |
| Space Cost: | Toll Free Referral System | \$ 1,000 | | |
| Others (Explain): | Contract Closeout Cost | \$ 20,000 | | |
| | | | | \$34,000 |
| 8. TOTAL DIRECT EXPENDITURES (Sum of Totals 1-7) | | 8. TOTAL DIRECT EXPENDITURES: | | \$595,000 |
| 9. INDIRECT COST CALCULATIONS | | Rate #1: Base \$0 X Rate 0.0000 % Total | | \$ 0 |
| | | Rate #2: Base \$0 X Rate 0.0000 % Total | | \$ 0 |
| | | 9. TOTAL INDIRECT EXPENDITURES: | | \$ 0 |
| 10. TOTAL EXPENDITURES (Sum of lines 8-9) | | | | \$595,000 |
| AUTHORITY: P.A. 368 of 1978 | | The Department of Community Health is an equal opportunity employer, services and programs provider. | | |
| COMPLETION: Is Voluntary, but is required as a condition of funding | | | | |
| DCH-0386 (E) (Rev 02/13) (W) Previous Edition Obsolete. Use Additional Sheets as Needed | | | | |

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH
GRANTS AND PURCHASING DIVISION

EQUIPMENT INVENTORY SCHEDULE

Please list equipment items that were purchased during the grant agreement period as specified in the grant agreement budget's cost detail schedule - Attachment B.2. Provide as much information about each piece as possible, including quantity, item name, item specifications: *make, model*, etc. Equipment is defined to be an article of non-expendable tangible personal property having a useful life of more than one (1) year and an acquisition cost of \$5,000 or more per unit. Please complete and forward this form to the MDCH contract manager with the final progress report.

Contractor Name: _____

Contract #: _____ Date: _____

| Quantity | Item Name | Item Specification | Tag Number | Purchased Amount |
|--------------|-----------|--------------------|------------|------------------|
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| | | | | \$ |
| Total | | | | \$ 0 |

Contractor's Signature: _____ Date: _____

Error! Reference source not found.

PERFORMANCE / PROGRESS REPORT REQUIREMENTS

- A. The Contractor shall submit the following reports on the following dates:
1. 1st Quarter Period 10/1/13 - 12/31/13 – Due 2/14/14
 2. 2nd Quarter Period 1/1/14 – 3/31/14 – Due 5/15/14
 3. 3rd Quarter Period 4/1/14 – 6/30/14 – Due 8/15/14
 4. 4th Quarter Period 7/1/14 – 9/30/14 – Due 11/14/14
- B. Any such other information as specified in the Statement of Work, Attachment A shall be developed and submitted by the Contractor as required by the Contract Manager.
- C. Reports and information shall be submitted to the Contract Manager at:
- Brenda Fink, Director
Family and Community Health Division
Michigan Department of Community Health
109 W. Michigan
Lansing, MI 48913
- D. The Contract Manager shall evaluate the reports submitted as described in Attachment C, Items A. and B. for their completeness and adequacy.
- E. The Contractor shall permit the Department or its designee to visit and to make an evaluation of the project as determined by Contract Manager.

FINANCIAL STATUS REPORT
MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

ATTACHMENT D

| | | | | | |
|-----------------------|--|-----------------------------|--|---------------|----|
| | | Contract Number | | Page | Of |
| Local Agency Name | | Program | | Code | |
| Street Address | | Report Period Thru Final | | Date Prepared | |
| City, State, ZIP Code | | Agreement Period Thru | | FE ID Number | |

| Category | Expenditures | | Agreement | |
|--------------------------------|----------------|---------------|-----------|---------|
| | Current Period | Agreement YTD | Budget | Balance |
| 1. Salaries & Wages | | | | |
| 2. Fringe Benefits | | | | |
| 3. Travel | | | | |
| 4. Supplies & Materials | | | | |
| 5. Contractual (Sub-Contracts) | | | | |
| 6. Equipment | | | | |
| 7. Other Expenses | | | | |
| | | | | |
| | | | | |
| 8. TOTAL DIRECT | | | | |
| 9a. Indirect Costs Rate #1:_% | | | | |
| 9b. Indirect Costs Rate #2:_% | | | | |
| | | | | |
| | | | | |
| 10. TOTAL EXPENDITURES | | | | |
| SOURCE OF FUNDS: | | | | |
| 11. State Agreement | | | | |
| 12. Local | | | | |
| 13. Federal | | | | |
| 14. Other | | | | |
| 15. Fees & Collections | | | | |
| 16. TOTAL FUNDING | | | | |

CERTIFICATION: I certify that I am authorized to sign on behalf of the local agency and that this is an accurate statement of expenditures and collections for the report period. Appropriate documentation is available and will be maintained for the required period to support costs and receipts reported.

| | | |
|----------------------|------------------|-------|
| Authorized Signature | Date | Title |
| Contact Person Name | Telephone Number | |

FOR STATE USE ONLY

| | Advance | INDEX | PCA | A OBJ CODE | AMOUNT |
|--|---------|-------|---|------------|--------|
| Advance Outstanding | | | | | |
| Advance Issued or Applied | | | | | |
| Balance | | | | | |
| Message | | | | | |
| Authority: P.A. 368 of 1978 Completion: is a Condition of Reimbursement | | | The Department of Community Health is an equal opportunity, employer, services, and programs provider. | | |

DCH-0384(E) (Rev. 4/04) (W) Previous Edition Obsolete

**MICHIGAN PREGNANCY AND PARENTING SUPPORT SERVICES PROGRAM
FISCAL YEAR 2013 / 2014
Program Description and Work Plan**

INTRODUCTION

Real Alternatives is a national, private, tax-exempt, non-profit corporation pursuant to Section 501(c) (3) of the Internal Revenue Code. Using its proprietary "Real Alternatives Program and Instructional Design" (RAPID)¹ system, Real Alternatives has administered the successful and nationally-recognized Alternative to Abortion Services Program as the prime contractor for the Commonwealth of Pennsylvania since July 1, 1997.

The government funding received by Real Alternatives from state governments enables Real Alternatives to provide free, caring, confidential and comprehensive pregnancy support, parenting and adoption education services that encourage a decision of childbirth instead of abortion, to women and their families who are experiencing unexpected pregnancies. Those critical and extremely beneficial services are directly provided through a network of vendor service providers comprised of social service agencies, pregnancy support centers, maternity homes and adoption agencies.

Corporate Mission Statement

Real Alternatives exists to provide life-affirming alternative to abortion services throughout the nation. These compassionate support services empower women to protect their reproductive health, avoid crisis pregnancies, choose childbirth rather than abortion, receive adoption education, and improve parenting skills.

CORPORATE BACKGROUND AND EXPERIENCE

Real Alternatives has been the prime contractor for the Commonwealth of Pennsylvania's alternative to abortion services program for the last fifteen years. During that time, over 212,000 women throughout the Commonwealth have been served. Real Alternatives receives the Alternative to Abortion Services grant from the Commonwealth of Pennsylvania Department of Public Welfare to provide comprehensive pregnancy, parenting and adoption support services to pregnant women who are experiencing an unexpected pregnancy, so they choose childbirth rather than abortion. This is accomplished through a vendor network of approximately 100 social service agencies, pregnancy centers, maternity homes and adoption agencies. Always striving to deliver quality, cost effective services to women, Real Alternatives was recognized by the Central Pennsylvania Business Journal in 2002 and again in 2004 for its technological innovation and cost savings by being selected as a finalist for the Annual Nonprofit Innovation Award. In 2004, Real Alternatives was also one of the first four nonprofits to be awarded the prestigious Pennsylvania Association of Nonprofit Organizations (PANO) Seal of Excellence for meeting the 56 Standards of Excellence criteria for nonprofits. In 2007 and again in 2013, Real Alternatives earned recertification for the PANO Seal of Excellence. Real Alternatives recognizes that a government program is only as good as its last audit. Using the RAPID system has lead to 16 straight perfect CPA audits for Real Alternatives.

Real Alternatives is governed by a Board of Directors and a set of bylaws. The registered office of the Corporation is 7810 Allentown Boulevard, Suite 304, Harrisburg, Pennsylvania 17112, telephone: 717-541-1112, fax: 717-541-9713. Federal ID Number is 23-2868660. The business and affairs of Real Alternatives are managed by its Board of Directors. The board hired and sets the duties of the President & CEO, and he is empowered by the Corporation to carry out the policies of the Corporation, throughout all endeavors on behalf of Real Alternatives. The President & CEO, Kevin I. Bagatta, Esquire, is the point of contact for questions regarding this grant agreement. Except as otherwise required by Pennsylvania corporate law or other law, the entire control of the Corporation (its management, affairs, and property) is vested in the Board of Directors of the Corporation.

Real Alternatives Staff Administration

Real Alternatives is a national nonprofit corporation with two divisions: one that supports the \$6.5 million a year PA Alternative to Abortion Services Program, and the second that supports national expansion of government-funded alternative to abortion programs.

The executive management team for the Real Alternatives consists of a full-time President & CEO, a full-time Vice President of Operations, a full-time Director of Finance, and a full-time Assistant Director of Finance. Additional personnel include a full-time Accountant, part-time Bookkeeper, a full-time Quality Control Manager, a part-time Special Projects Coordinator, a part-time Evaluation Manager, a part-time Community Outreach Coordinator, and a near full-time Toll-Free Counselor.

PROGRAM WORK PLAN

Real Alternatives, through a network of pro-life pregnancy support centers, maternity homes, adoption agencies, and social service agencies (vendor service providers), plans to reach out to each woman, no matter what her background or circumstances, and without fee. Compassionate, trained counselors will assess each woman's situation and assist her in developing a positive life-affirming approach to her pregnancy. Assistance during and after the parenting and adoption decision involves counseling, education, material assistance, and referrals. By empowering women in an unexpected pregnancy with this assistance, they no longer feel compelled to choose abortion out of a sense of being alone, helpless, and hopeless. The outcome goals of this pregnancy and parenting support program will be that women facing crisis/unexpected pregnancies in the state of Michigan will be aware of this comprehensive program, they will receive support, will have improved parenting skills, and will receive adoption education. Such outcome goals will empower them to choose childbirth rather than abortion. This program in turn will have a lowering impact on the Michigan Abortion Choice Percentage (see exhibit 1 in the appendix), and be a factor in reducing medical costs², improving women's health³, and obtaining overall long-term savings for the taxpayers of Michigan.

Program Design

Real Alternatives will utilize the RAPID system to administer this regional program. Real Alternatives, which holds all right, title, and interest to the RAPID system, has proven success in Pennsylvania as a good steward of government financial resources to meet Pennsylvania's desire to assist women to seek an alternative to abortion. Real Alternatives, as the prime contractor, will provide regional program operations services including program administration and centralized client outreach.

The following is the overall design of the RAPID system, already working in Pennsylvania, along with the description of tasks that will be taken by Real Alternatives in Michigan for program deployment and ongoing operation. (This explanation is visually portrayed at Exhibit 3 in the appendix.) Real Alternatives plans to subcontract with vendor service providers to perform program operational services, primarily involving counseling and support services to clients. Those potential vendor service providers include 76 pregnancy support centers, maternity homes, adoption agencies, and social service agencies that provides life-affirming alternative to abortion services presently throughout Southern Michigan (approximate geographical area south of the Grand Rapids – Lansing – Flint Corridor). Real Alternatives will contact them in December 2013/January 2014 advising them of Real Alternatives' plan to contract with those who meet Real Alternatives' vendor standards to perform services under the Michigan Department of Community Health grant.

First, the potential vendor service providers are screened for eligibility and are then approved as subcontractors. Next, their counselors who will be providing the services are trained on program requirements, eligible services and restrictions in delivery of those counseling services.

Once counselors in the field are certified, they submit information online each time they provide approved services to program eligible clients. This information includes demographic information, topics discussed in the counseling session, counseling and referral time, and billing information, along with a required certification by the counselor of the validity of what is being submitted for reimbursement. This online information is submitted daily and processed by Real Alternatives. Real Alternatives gathers the regional data and converts it for use in the financial accounting system and performance reporting system. After receiving a 16.67% operating advance of the total program contract value for start up costs and rollout of the regional

program, Real Alternatives envisions reporting to DCH for the previous month's services performed. Requests for remaining cash advances will occur each quarter. Once paid, Real Alternatives will pay the vendor service providers for their past month's approved services.

While the vendor service providers' counselors are providing services to clients, Real Alternatives staff will implement the RAPID Client Education Materials Purchase during the first year of the grant. Again, the state of Michigan will be able to save development time and money by using material which has already been reviewed for currency and accuracy under the RAPID system. Vendor relationships already established by Real Alternatives will be able to be used resulting in appropriate mass quantity discounts. Real Alternatives, with fifteen years of experience serving a diverse population of women in crisis pregnancies in the sixth largest state in the US, will develop special education and information materials tailored for the Michigan program.

Many women choose not to abort once they are aware there is someone available to assist them during their parenting or adoption decision. Advertising is imperative to inform women that there are people and this program in the state of Michigan to help them. Once a large number of vendor service providers are approved, the RAPID marketing system will be used to conduct a targeted social media campaign of the RAPID 1-888-LIFE-AID hotline patch system. (See below).

Real Alternatives will use the media ads developed and tested over the years in the Pennsylvania program that have been specifically tailored to reach women in a crisis/unexpected pregnancy who are unsure whether to abort or not. Using the methods perfected over the years in Pennsylvania, media buying will be accomplished by Real Alternatives.

The RAPID LIFE-AID hotline patch system provides a trained, bilingual, crisis intervention telephone counselor to provide brief initial counseling and determine where the caller is calling from. The caller is then patched to a counselor at an approved vendor service provider nearest to her. For those clients searching the internet, referrals are made from the existing bilingual Real Alternatives website, www.RealAlternatives.org, which will be adapted for use by Michigan citizens. That website will be available immediately once vendor service providers are signed, agree to contract terms, and have been trained by Real Alternatives. To ensure program compliance, only approved vendor service providers who meet program requirements and have contractually agreed to them with Real Alternatives will be listed in these referral sources.

The telephone number 1-888-LIFE-AID, is a national toll-free number owned by Real Alternatives. In order to save costs, the LIFE-AID number is the entry point for the entire Michigan Pregnancy and Parenting Support Services Program. As such, all media, brochures, television, and future radio ads will advertise it. During fiscal year 2013/14 the advertisement budget is high so that Real Alternatives may inform the women of Michigan of the program's existence. As new clients are referred to vendor service providers, increased reimbursement follows the increase in services. As services and reimbursement increases, reinvestment by the vendor service providers in staff and centers builds more capacity for them to serve more clients.

In the area of vendor service provider reimbursement, service providers are reimbursed as vendors for the core and support services rendered to women on a "fee-for-service" type of arrangement. The minimum rates for reimbursement are \$1.09 per minute for counseling time and referral time; \$21.80 per class per client; \$10.90 per client self-administered pregnancy test kit, \$10.90 per food, clothing, and/or furniture pantry visits not to exceed four visits per pantry type; and, \$5.45 per online client data collection form. This performance driven reimbursement system rewards vendor service providers who take their program reimbursement and reinvest in their services by opening more centers and hiring more counselors to serve more women in need. By serving more women, these centers receive more reimbursement. No money is "given" to the vendor service providers – they earn it. By using the prime contractor/subcontractor model, vendor service providers do what they do best, one-on-one counseling and mentoring instead of government contracting, and the prime contractor does what it does best, government program administration and client outreach.

This approach results in the Michigan Pregnancy and Parenting Support Services Program maximizing focus and performance for the prime contractors and vendor service providers.

One confidential form is required for the billing system. The client fills out the form containing personal and demographic information and signs it to confirm a person was served that day of service. The form the client fills out allows each client to have the ability to register a complaint or comment at each visit throughout the state using the same method that has been successfully used in the Pennsylvania program for 16 years. Each form will have a telephone number that clients can call to register a complaint about any services provided to them at the vendor service provider level to Real Alternatives. Complaint calls are followed up by Executive Staff.

Real Alternatives will use the RAPID Online Data Collection, Billing, and Reporting Systems software to receive monthly billing from the service providers; process the demographic, billing, and performance data; and submit the services bill to the DCH for reimbursement along with administrative and outreach costs. Once reimbursement occurs from DCH then Real Alternatives will reimburse the vendor service providers.

Real Alternatives will provide the following program coordination services: seek out, approve and sign contracts with qualified vendor service providers to deliver core services to clients; train approved vendor service providers in program requirements; ensure that only program trained and approved counselors submit for reimbursement under the program; conduct annual on-site and remote monitoring of the vendor service providers using to ensure subcontract and program compliance; conduct annual regional education material purchase for clients; provide to DCH monthly financial reports of expenses and reimbursement requests for the next quarter's services; provide quarterly reports of statewide vendor service provider performance to DCH including clients served and total visits by age and by county, as well as hotline referrals and patches by age and by county.

Service Provider Selection Process

Providing pregnancy support that promotes childbirth and alternatives to abortion requires experienced individuals taking the time to listen to the concerns of the women in crisis and supporting them. The quality of the vendor services provided to these women is of utmost importance to Real Alternatives. This dedication to the quality of service is reflected in the RAPID Service Provider Selection Process. Once a potential vendor service provider expresses interest in becoming a vendor service provider for the program after being contacted by Real Alternatives, the potential vendor service provider is asked if they meet the minimum requirements for the program. The minimum criteria required for potential vendor service providers is that they:

- ♦ are a 501(c) 3 tax exempt organization
- ♦ operate an alternative to abortion program that has a stated policy of actively promoting childbirth instead of abortion
- ♦ maintain a pro-life mission and agree not to promote abortions, refer women for abortions, or counsel women to have an abortion as an option to a crisis pregnancy
- ♦ be physically and financially separate from any entity that advocates for abortion, performs abortions, counsels women to have abortions, or refers women for abortion
- ♦ provide core services consisting of information and counseling that promotes childbirth instead of abortion and assists pregnant women in their decision regarding adoption or parenting
- ♦ understand that the funding for alternative to abortion services under this program does not include funding for the provision, referral, or advocacy of contraceptive services, drugs, or devices
- ♦ are nondiscriminatory
- ♦ agree not to promote religion during government-funded contract services
- ♦ have been in operation a minimum of one year providing core alternative to abortion crisis intervention services to women in a crisis/unexpected pregnancy
- ♦ serve low-income clients
- ♦ do not charge a fee for program services to eligible clients
- ♦ provide a physical site that is handicapped accessible, or that they have the capability to make special provisions to provide program services to persons with disabilities.

Based upon their response to the minimum requirements evaluation, a potential vendor service provider is required to submit a binder of backup documents for review by Real Alternatives. Such documents include at a minimum:

- ♦ proof of IRC 501 (c) 3 tax-exempt status with federal tax number

- ♦ a copy of the Corporate Articles of Incorporation and Amendments filed with the Secretary of State
- ♦ a copy of the Bylaws of the Corporation
- ♦ policy and procedures manual that include a confidentiality policy
- ♦ board of directors or equivalent governing body
- ♦ counseling training materials
- ♦ proof of general liability insurance for sites where services are rendered, as well as automobile and workers compensation insurance.

All material will be reviewed and if the program criteria are met, a visual inspection of the site is arranged and observed. Upon completion of the visual site inspection, a written evaluation is completed along with the Evaluator's recommendation. The Vice President of Operations then reviews all documents and makes a recommendation to the President & CEO. If the President & CEO approves the potential vendor service provider, then DCH will be informed. An agreement will be offered to the new potential vendor service provider.

Real Alternatives estimates it will contract with between 10- 20 out of the approximate 76 pro-life vendor service provider sites located in the Southern Michigan region to serve women in need during fiscal year 2013-2014.

Service Provider Training and Monitoring

Upon successful completion of the approval process, the vendor service provider's personnel and volunteers are trained on program compliance. Real Alternatives will accelerate the training through the use of the RAPID Training Process. This training will ensure that reimbursement for services to clients can start in March 2014. Thereafter, vendor service providers are retrained every year on program requirements and compliance. In addition to annual training, each vendor service provider receives on-site and/or remote monitoring for program compliance annually. Monitoring reports on the vendor service provider's physical site, program compliance, and corporate changes will be prepared by Real Alternatives' staff, annotating deficiencies and corrective actions taken. The site monitoring reports will appear in the quarterly reports to DCH.

Quality assurance of services is accomplished by Real Alternatives in multiple ways:

1. initially by the vendor service provider screening process and approval process, then
2. by the training process accomplished by Real Alternatives at counselor training, then
3. by having each counselor sign a certification statement of understanding of important program rules before the forms submitted by them are reimbursed in the system, and
4. finally by monitoring each vendor service provider for programming contract compliance once a year starting in 2014.

Those vendor service providers with multiple sites will have two or more site monitorings performed by the Real Alternatives.

Vendor Service Provider Monitoring

Vendor Service Provider monitoring encompasses three parts. During the Corporate Administration and Program Profile Review, the following is reviewed:

- Review of policy and procedure manuals and documentation of Board of Directors approval (manuals include: Non-Discrimination Policy, Confidentiality Policy, Sexual Harassment Policy, Spiritual Issues Policy, Abortion/contraception Policy, internal client grievance procedures, Limited English Proficiency Policy, Adoption Policy);
- Review of counselor training plan, counseling skills training, training materials, assessment and ongoing training;
- Review of corporate documents (Mission statement, board of directors listing, articles of incorporation, by-Laws, non-profit status);

- Review of program operations (including, Client intake form, Client services, primary client referral sources, provider referral resource list, pregnancy test requirements, client educational materials, and staff/volunteer training procedures)

During the Facility Inspection, the following is reviewed:

- Inspection of facility including: waiting area, counseling areas lavatories, fire safety procedures and equipment,
- review of literature, review of current counselor child abuse clearance, handicap accessibility, confidential handling of client files, review of service site website and/or yellow page ads.

During the Reimbursement Compliance Review, the following is reviewed:

- Review of randomly selected client files for accuracy of billing.

Charitable Choice Act – Faith-Based Organization Policy

Real Alternatives proposes to implement the present RAPID faith-based policy currently being used in Pennsylvania. A faith-based service provider which includes among its activities worship, religious instruction, proselytization or other inherently religious programs cannot be funded for those activities under the Michigan Pregnancy and Parenting Support Services Program. Reimbursement is prohibited for worship services, bible study, prayer meetings, prayer with a client during the program visit, or any form of proselytization, i.e., to recruit members for religious conversion.

If a vendor service provider does engage in such activities with a client in the pregnancy and parenting support program, those activities must occur separately, in time or location, from services provided pursuant to the contract with Real Alternatives. By the way of example of what may constitute separateness in place, if a vendor service provider occupies a building with a single entrance and provides counseling in one of its rooms, it may, with a signed request from a client, immediately after program counseling, engage in spiritual or religious activity with the client in a separate room in the building, with a different spiritual or religious counselor – a person other than the one who provided service under the contract.

An example of separation in time would permit a different spiritual counselor to meet with a client, if the client signs a request, after the counselor providing client services under the Michigan Pregnancy and Parenting Support Services Program, leaves the room.

Participation in religious/spiritual activities by a client must be voluntary, and the client must understand that refusal to participate in religious activities will not disqualify her from receiving services under the program. An approved request form must be provided to the client before any such religious activity occurs to assure that voluntary, informed consent is provided by the client.

A vendor service provider under the contract may retain religious terms in its organization name, select its board members on a religious basis and include religious references in its organization's mission statements and other governing documents. It cannot, however, include any religious activity or program with client services and must certify to Real Alternatives that it complies with its contract requirements.

Client Services

The primary purpose of the Michigan Pregnancy and Parenting Support Services Program is to provide core services consisting of information, education, and counseling that promotes childbirth instead of abortion and assists pregnant women in their decision regarding adoption or parenting. The program also provides support services including client self-administered pregnancy test kits, baby food, maternity and baby clothing and baby furniture, information and education, and referrals for other services for the needs of the women and newborn. The information and education provided under support services includes topics regarding infant care, adoption, or parenting.

The enabling legislation for the Michigan Pregnancy and Parenting Support Services Program states the program must promote childbirth and alternatives to abortion. Vendor service providers are to provide free counseling, support, and referral services to eligible women during pregnancy, and through 12 months after

birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education.

Real Alternatives, through the vendor service providers, will offer a comprehensive umbrella of core and support services that provide women direct support during and after the crisis/unexpected pregnancy.

For those in a crisis/unexpected pregnancy, core services are delivered by providing direct counseling support during the parenting and adoption decision. Services include:

- ♦ crisis intervention counseling and case management in a non-judgmental atmosphere
- ♦ education on fetal development and the health and nutritional needs of pregnant women, including books, videos, brochures, and fetal models
- ♦ abortion information - what it is, what it does, and negative outcomes associated with it
- ♦ pre- and post-natal education; pregnancy and certified childbirth classes
- ♦ access to information on medical care, hospital clinics, doctors, health care facilities, and other professional services; assistance with identifying drug and alcohol programs, if needed
- ♦ adoption service information
- ♦ life-skill training for parenting and nutritional needs
- ♦ availability of other community social services
- ♦ tangible aid in the form of maternity clothes
- ♦ other programs for the physical and emotional needs of women experiencing the stress of a crisis/unexpected pregnancy

For women who have given birth, support services are delivered by providing direct parenting or adoption support because of their decision not to abort. These services take the form of:

- ♦ parenting counseling and classes
- ♦ education referrals for upgrading skills or obtaining a GED
- ♦ child care referrals
- ♦ mentoring
- ♦ information on Women Infants and Children (WIC) programs
- ♦ job service and vocational training opportunities availability
- ♦ tangible aid in the form of baby and infant items and other needed supplies

For those who come to our Service Providers thinking they may be experiencing a crisis/unexpected pregnancy but are unsure, client self-administered pregnancy test kits are always available. For those in this category who are found to be not pregnant, services include:

- ♦ information on the risks of sexually transmitted diseases
- ♦ relationship counseling
- ♦ decision making education
- ♦ chastity classes
- ♦ teen pregnancy prevention programs
- ♦ other counseling offered to modify risk-taking behavior.⁴

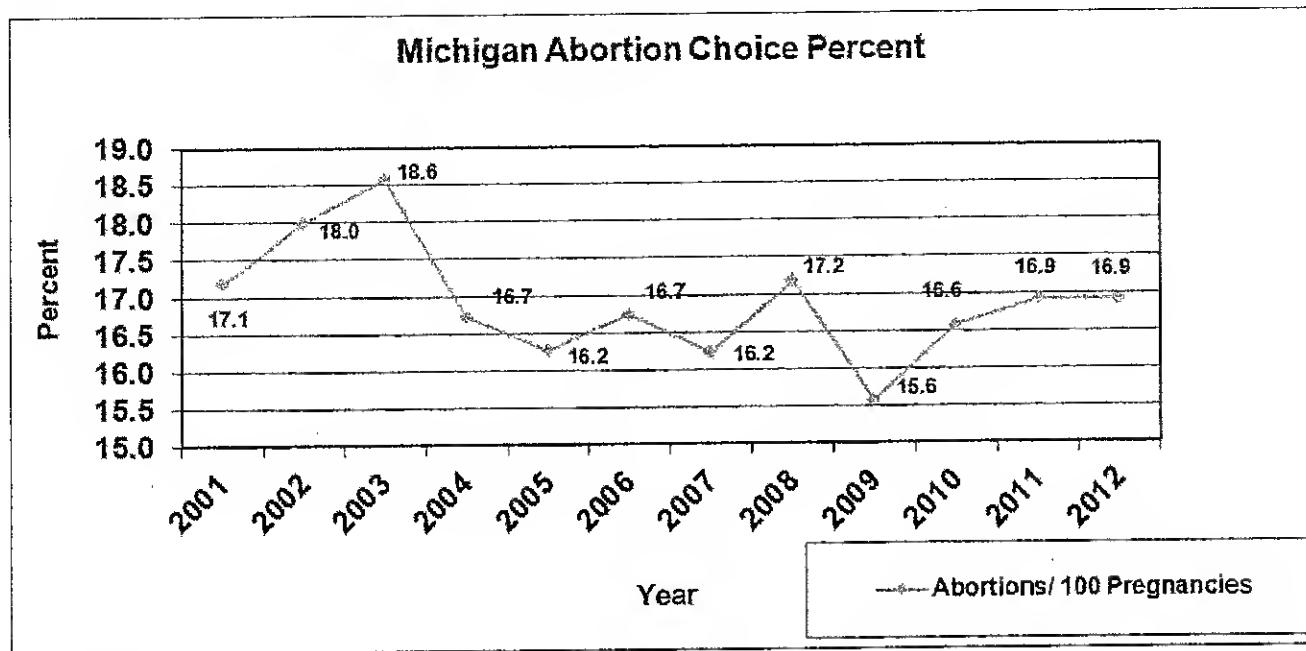
This umbrella of services allows Real Alternatives to provide direct support services so women do not feel the need to have an abortion now or in the future, as well as provide programs that work to prevent the circumstances that might lead to the perceived need for an abortion in the first place. With the ability to provide a wide range of readily available nearby services to Michigan women, they are empowered to make more informed choices concerning their child, as well as begin to plan for a future that will include independence and self-sufficiency. The consistent provision of these services over a significant period of time provides a better opportunity for counselors to help women who desire to change their status from a dependent mother to an independent mother.

ASSUMPTIONS

This proposal is based on the assumption that if awarded, DCH will advance the appropriate requested amount of total contract funds for startup and reimbursement thereafter for program services will occur quarterly on a timely basis.

APPENDIX

Exhibit 1



"The Michigan Abortion Choice Percentage" is calculated by taking the Total MI Resident Abortions and dividing that number by the sum of the Total MI Resident Abortions and Total MI Resident Live Births. All figures used to track this outcome are obtained from the *Michigan Health Statistics*, the Michigan Department of Community Health website. The Abortion Choice Percentage represents the percentage of women who chose to undergo abortions out of the total population of women who could. General program impact can be measured because pregnant women who receive support and encouragement through alternative to abortion services are empowered to choose childbirth rather than abortion.

Exhibit 2: END NOTES

¹ The RAPID system includes the following copyrighted and proprietary information and material which belongs to and shall remain the exclusive property of Real Alternatives: all software, documents, checklists, staff training materials, service provider user guides, billing systems, and program management tools used to administer a regional Michigan Pregnancy and Parenting Support Program. The RAPID system is not a deliverable under this grant agreement.

² Often when faced with a crisis pregnancy, women delay prenatal care resulting in low birth weight babies that increases health care cost and high infant mortality rates. National Prevention Council, *National Prevention Strategy*, Washington, DC:

U.S. Department of Health and Human Services, Office of the Surgeon General, 2011

A prior first trimester induced abortion has been found to be an irreversible risk factor associated with preterm birth. *Immutable Medical Risk Factors Associated with Preterm Birth*. Preterm Birth: Causes, Consequences, and Prevention. Institute of Medicine, 2007, pp. 625.

In addition, for every \$1.00 spent on prenatal care, approximately \$3.38 to \$11.00 could be saved in Neonatal Intensive Care Unit costs. "Preventing Low Birth Weight Summary", *Committee to Study the Prevention of Low Birth Weight, Division of Health Promotion and Disease, the Pennsylvania Department of Health*. The United States currently spends just \$1 to prevent sexually transmitted diseases for every \$43 spent treating the 12 million cases diagnosed each year... teenagers suffer a staggering 3 million cases a year. "STDs are Labeled Hidden Epidemic", *The Harrisburg Patriot*, Nov. 20, 1996, A5. STDs cost the U.S. health care system \$17 billion every year—and cost individuals even more in immediate and life-long health consequences. *Sexually*

³ Lowering abortions can lower the incidence of breast cancer. A Turkish study done between 2000 and 2006 showed induced abortion significantly associated with increased breast cancer. *World Journal of Surgical Oncology* 2009, 7:37 doi:10.1186/1477-7819-7-37 This article is available from: <http://www.wjso.com/content/7/1/37> © 2009 Ozmen et al; licensee BioMed Central Ltd.

In a study of eight European countries, researchers concluded that the increase in breast cancer incidence appears to be best explained by an increase in abortion rates and lower fertility. *The Breast Cancer Epidemic: Modeling and Forecasts Based on Abortion and Other Risk Factors*, Journal of American Physicians and Surgeons, Vol. 12, No. 3, Fall 2007, pp. 72-78.

A study of 1,451 women who developed breast cancer before the age of 40 had a 90 percent increase in the incidence of breast cancer if they aborted their first pregnancy versus those women who delivered their first baby. "An Early Abortion and Breast Cancer Risk Among Women Under Age 40," Howe, H.L., Bzduch, H., Hezfeld, P., *International Journal Epidemiology*, 18:300-304. Additionally, women under age 18 who had an abortion after the eighth week of pregnancy increased their risk of breast cancer by 800 percent. "Risk of Breast Cancer Among Young Women: Relationship to Induced Abortion", *Journal of the National Cancer Institute*, 88:21, November 2, 1994. There is an overall 30 percent risk increase attributable to induced abortion based on meta-analysis of 30 years of studies. Brind, et al. (1997), *J. Epidemiol Community Health* 50:481-496. According to Dr. Angela Lanfranchi, abortion causes breast cancer in about 5% of women who have an abortion. This results in approximately 10,000 cases a year of breast cancer that can be attributed to abortion. After an induced abortion, the female is exposed to very high levels of mitogen and estrogen. This would leave her breast with more places for cancers to start. "The Breast Physiology and the Epidemiology of the Abortion Breast Cancer Link", *Imago Hominis*, 2005, pp. 228-236. The Breast Cancer Prevention Institute claims that the more estrogen a woman is exposed to in her lifetime, the higher her risk for breast cancer. Abortion in women under 18 and over 30 years old carries the greatest risk of getting breast cancer. "The Biologic Cause of the Abortion Breast Cancer Link: The Physiology of the Breast", *Breast Cancer Prevention Institute*, May 2004 (revised). Studies have shown that women who have ever used early formulations of oral contraceptives and who also have a first-degree relative with breast cancer may be at a particularly high risk for breast cancer. Women with a strong family history who have used more recent lower-dosage formulations of oral contraceptives should be advised of the risks regarding oral contraceptive use and breast cancer. "Oral Contraceptives and Breast Cancer: A Note of Caution for High-Risk Women", *The Journal of the American Medical Association*, Vol. 284, No. 14, October 11, 2000, pp. 1-6.

A 2009 study reports that oral contraceptive use contributes to younger women developing breast cancer particularly a type called triple-negative that is aggressive, more difficult to treat and has higher mortality rates. Among women ≤ 40 years of age, the risk for breast cancer overall, and the risk of non-triple-negative breast cancer increased with younger age at first use. Dolle, Jessica M. and Daling, Janet R. *Risk Factors for Triple-Negative Breast Cancer in Women Under the Age 45 Years*. *Cancer Epidemiology, Biomarkers & Prevention* 2009; 18(4) April 2009, pp. 1157-1166.

Those who abort a first pregnancy are at a greater risk of subsequent long term clinical depression.... (Summer 2003) "Clinical Depression Linked to Abortion", *British Medical Journal*, 1992, pp. 151-152. Results of a New Zealand study suggest that women who experience distress as a result of having an abortion are more likely to have subsequent mental health problems. *Reactions to abortion and subsequent mental health*, The British Journal of Psychiatry, May 2009, Vol. 195, pp.420-426

⁴ Abstinence education meets the two-prong goal of lowering unexpected pregnancies and sexually transmitted diseases. While going through a process of emotional growth in adolescence, teens frequently get involved in risky sexual behaviors that expose them to unexpected pregnancy and sexually transmitted infections. Researchers have found that abstinence-only sex education intervention programs are effective in the prevention of unintended adolescent pregnancies. "Adolescent Pregnancy Prevention: An Abstinence-Centered Randomized Controlled Intervention in a Chilean Public High School", *Journal of Adolescent Health*, 2005, pp. 64-69. Promising programs to improve reproductive health outcomes include those that focus on early childhood investments, that involve teens in school and in outside activities (including youth development in combination with sexuality education and community volunteer learning), and those that send nurses to visit teenage mothers, which reduce their chances of becoming pregnant again. "Preventing Teenage Pregnancy,

Childbearing, and Sexually Transmitted Diseases: What Research Shows", *Child Trends Research Brief*, May 2002, pp. 1-10. True abstinence education programs help young people to develop an understanding of commitment, fidelity, and intimacy that will serve them well as the foundations of healthy marital life in the future. Abstinence education programs have repeatedly been shown to be effective in reducing sexual activity among their participants. "The Effectiveness of Abstinence Education Programs in Reducing Sexual Activity Among Youth", *The Heritage Foundation*, April 8, 2002, pp. 1-12. The Institute for Research and Evaluation conducted more than 100 evaluations of abstinence education interventions in 30 states over the past 15 years and found that well-designed and well-implemented abstinence education programs can reduce teen sexual activity by as much as one-half over a period of one to two years. *Abstinence" or "Comprehensive" Sex Education?* The Institute for Research and Evaluation, 2007.

The Birth Control Pill, Norplant, IUD, diaphragm, cervical cap, sponge, Depo-Provera and spermicides do not protect against STDs. "Preventing STDs," Wills, Judith Levine, *FDA Consumer*, Publication No. (FDA) 94-1210, June 1993. Latex Condoms may reduce but cannot eliminate the risks of contracting STDs. "Sexually Transmitted Diseases", Nestor, Lynn Paige, MSN, and O'Connell, Michelle Brott, BSN, *U.S. Department of Health & Human Services, Public Health Service*. U.S. Food and Drug Administration tests designed to measure the leakage of viral particles through latex condoms reveal significant leakage of HIV-sized particles under some conditions for one-third of the condoms tested. *Sexually Transmitted Diseases*, July - August, 1992, 194, 230-234. A U.S. government study revealed no proof that condoms prevent the transmission of the most common sexually transmitted infections, including gonorrhea, chlamydial infection, trichomoniasis, genital herpes, syphilis, chancroid, and HPV-associated diseases. "Workshop Summary: Scientific Evidence of Condom Effectiveness for Sexually Transmitted Disease (STD) Prevention," *National Institutes of Allergy and Infectious Diseases, National Institutes of Health, Department of Health and Human Services*. July 20, 2001. There's no absolute guarantee that a person won't get a sexually transmitted disease even when using a condom.

<http://www.fda.gov/ForConsumers/byAudience/ForPatientAdvocates/HIVandAIDSactivities/ucm126372.htm> accessed 5/31/12 Page Last Updated: 07/22/2010

A large number of teens and some adults may be engaging in oral sex to prevent pregnancy and sexually transmitted diseases. However, a report from the National Center for Health Statistics (a division of the CDC) cited evidence that HIV, gonorrhea, Chlamydia, chancroid, and syphilis can all be transmitted through oral sex. "Oral Sex is Common Among Teens to Prevent STDs and Pregnancy", *MedPage Today*, September 16, 2005, pp. 1-4. Herpes, gonorrhea, syphilis, hepatitis A, B, and C, and HIV all can be transmitted through oral sex. <http://teens.webmd.com/rm-quiz-safe-sex> accessed 5/31/12 Page last Reviewed by Brunilda Nazario, MD on August 26, 2011.

When compared to teens that are not sexually active, teenage boys and girls who are sexually active are significantly less likely to be happy and more likely to feel depressed. Also, when compared to teens that are not sexually active, teenage boys and girls who are sexually active are significantly more likely to attempt suicide. "Sexually Active Teenagers Are More Likely to be Depressed and to Attempt Suicide", *The Heritage Foundation*, June 2, 2003, pp. 1-8.

Females with a history of casual sex report most depressive symptoms. For females, as the number of sexual partners increase, depressive symptoms increase as well. *No Strings Attached: The Nature of Casual Sex in College Students*, *The Journal of Sex Research*, Vol. 43, No. 3, August 2006, pp. 255-267. STDs are one of the most critical health challenges facing the nation today.

A CDC study estimated that 1 in 4 (26%) young women between the ages of 14-19 years old in the United States are infected with at least one of the most common sexually transmitted diseases. Nationally Representative CDC Study Finds 1 in 4 Teenage Girls Has a Sexually Transmitted Disease, *2008 National STD Prevention Conference*, Press Release, March 11, 2008.

Exhibit 3

